VIRTUAL COMMUNITY, CUSTOMER EXPERIENCE, AND BRAND AMBASSADOR: PURCHASING DECISION ON YOUTUBE

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ABSTRACT

This study aimed to examine the effect of virtual community, customer experience, and brand ambassador on purchasing decisions for cosmetic products on YouTube. This study employed quantitative method with the survey technique. Data were collected using a questionnaire distributed to 400 respondents who are followers of the beauty product X YouTube account. The respondents were determined purposively. The data collected were analyzed using a multiple linear regression test. The results indicated that the virtual community, customer experience, and brand ambassador factors have a real, positive, and significant effect on purchasing decisions for cosmetic X products on the YouTube platform. These three variables may affect partially or simultaneously. Many factors influence consumer decisions to buy a product. In purchasing cosmetic products, virtual community factors, customer experience, and brand ambassadors have a reasonably large contribution. Therefore, the public or cosmetic companies must consider these variables to increase the number of buyers or customers. This study only covered cosmetic products and identified three independent variables. Further research should include more complex variables and various products.

Keywords: Virtual Community, Customer Experience, Brand Ambassador, Purchasing Decision

1. INTRODUCTION

Social media has now become a trend in marketing communications. Social media is a group of internet-based applications which is built on the ideological and technological framework of Web 2.0 and enables the creation and exchange of information or contents from Internet users [1]. With the advent of the internet, the traditional ways between companies and consumers have been disrupted, and social media is changing the way consumers interact with brands [2]. Currently, social media has become an inseparable part of product promotion activities by companies [3, 4].

Promoting and publicizing products have become the foundation of every business. In the 21st century, individuals are influenced by promotions, mainly when companies use idolized figures as brand ambassadors of a product. Brand ambassadors are supporters in an advertisement since the celebrity who becomes the brand ambassador will attend every event related to the company's products. Therefore, customers believe that the product has been assigned to the character or celebrity. Besides using brand ambassadors, companies can also employ virtual communities and customer experience to influence consumers in making purchasing decisions for a product [5, 6]. Customer experience is a point of touch for customers or consumers with brands or places of goods providers. It is part of a critical implementation strategy for companies to create high customer satisfaction and loyalty [7]. Meanwhile, virtual communities can promote a product, especially beauty products. In a virtual community, every internet user can consciously share information about their experiences with a product [8].

The study focused on one of the beauty brands in Indonesia, and in this study the brand is referred to as X cosmetics. X cosmetics is a local brand from...
A person's decision to buy a cosmetic for several reasons, namely the smell [9] but also because of the brand ambassador, brand quality, celebrity endorser [10], brand image [11], credibility, subjective norms, halal-labeled products for a Moslem [12], and advertising [13]. None of the previous studies has combined the four variables of experience, brand experience, brand ambassador, and purchasing decision simultaneously. On this basis, this research is important not only because of the variables studied, but also because of the research object, which is the local cosmetics.

The limitation of this research is that the scope of the study is only in social media and cosmetic products. Each product has its own uniqueness, so that the consumer's decision to buy it is caused by different factors.

2. LITERATURE REVIEW

The literature review explains the concepts and previous studies related to virtual communities, customer experience, brand ambassadors, and purchasing decisions.

2.1. Virtual Community

A community is a group of individuals creating an organization with the same intention, where each member has a sense of responsibility towards other members [14]. Members of a community usually have something in common, such as work, hobbies, and favorite places to travel. The community has ample space to discuss and share experiences [15].

Today, there are two types of community. The first is real life, and the second is cybercommunity. However, there is a tendency for humans (both individually and in groups) to engage in cyberspace. Such communities can then be declared as virtual communities [16]. In cyberspace interactions, computer technology and the internet are the main infrastructures. Communication and interaction in virtual communities are the results of the development of communication technology [17].

Subsequently, virtual community is a group of internet users forming a network of personal relationships. Therefore, virtual communities have the same interest. They regularly interact through the internet [16]. Moreover, a social community also indicates a group or an individual involved in cyberspace interactions with various communication forms created by community members [18].

Among the various forms of new media, YouTube is a virtual communication platform widely used by youths with the same hobby or goal. The We Are Social survey states that 170 million Indonesians actively use social media [19]. YouTube is one of the most accessed platforms from various social media, i.e., 88% of total social media users in 2019. For example, WardahBeauty is a YouTube channel comprising how-to and reviews about cosmetics and beauty. The WardahBeauty channel on YouTube facilitates viewers, especially women with the same interest, to get information about beauty.

There are several dimensions in the virtual community: (1) perceived benefit: how much profit would be obtained by someone leading to increased motivation and participation in an activity or a sense of belonging. A sense of belonging is the expected level from direct interaction with a system or environment where one perceives being a part of the system or environment [20]; (2) A sense of belonging describes one's feeling as part of a form of existence in an organization, environment, relationship, and environment available in society. In this case, one will believe that they are part of that form [21]; (3) Emotional trust: a form of one's belief in something followed in-depth or in a form where they perceive being a part of that form, such as the community environment. The person will trust the community more than other members of other communities [22].

2.2. Customer Experience

Customer experience is part of the theme discussed in consumer behavior, because basically customer experience includes how consumers experience in the process of obtaining, using and disposition of certain products, services or services. Then customer experience also includes how consumers describe consumer satisfaction and dissatisfaction with a particular product or service [23]. Specifically, a customer experience is a series of actions a person takes that involves the interaction of a customer and a service provider or organization. Then the customer experience involves the...
experience (cognitive, sensory, affective, emotional) [24, 25], and social customer [26, 27].

In some research results show that customer experience has a positive influence on purchasing decisions because basically new customers or buyers decide to buy a product through a long process, including by asking and getting information from other people who previously bought the product [23]. In addition, the media that is a source for someone to get information about the ratings or experiences of other consumers towards a product or service is social media. Therefore, companies have social media that is used other than as a promotional medium [28], sales [29], but also as a place to get information on the experience of using other people about their product [29-31].

Customer experience has far reaching implications for customer satisfaction and loyalty. This means that someone can shop repeatedly because of positive experiences with a product or brand. The experience is not only determined by controllable elements (e.g. price, retail atmosphere, service), but also includes the search, use, and post-purchase processes [32].

2.3. Brand Ambassador

Brand ambassadors are a group of people responsible for creating certain behaviors and legitimizing an organization [33]. A brand ambassador is passionate about supporting, discussing, and disseminating a particular product or service to the public. A company recruits brand ambassadors to represent the company to the public [34].

Brand ambassadors are often identified with celebrity endorsements. Celebrity endorsements lend their names and appear on behalf of a product or service. The appeal of celebrities is used very effectively by advertisers to communicate with their markets. Celebrities can be an influential force in generating interest or action related to purchasing or using selected goods and services [35].

Celebrity endorsement is defined as an individual recognized by the public (e.g., an actor, sports figure, entertainer) for their achievements in areas other than the endorsed product category [36]. Marketers widely use the concept of celebrity endorsement because it has an impact on influencing the "message," i.e., messages concerning a brand or product [37]. The company strived to send the message from someone with similarities with the consumers because consumers tend to evaluate information from the communicator or celebrity with similarities, such as goals, preferences, and lifestyle [38].

The endorser has two basic dimensions: credibility and attractiveness. Credibility as the message source enables the communicants to trust the message's source. If the endorser has good credibility, then the endorser can change the behavior of the communicant to a psychological process known as the internalization process. Meanwhile, attractiveness arises from physical attractiveness and can also be associated with non-physical aspects, e.g., intellectual skills, personality properties, lifestyle, characteristics, and athletic prowess [39].

2.4. Purchasing Decision

Purchase decision is an integration process, where one's knowledge is combined to evaluate a brand or service, thus determining or making choices [40]. Purchase decisions occur when someone has a preference between brands, products/services that are being considered for purchase [41].

Kotler argues that purchasing decision is a mental process including recognition, information search, evaluation, purchase, and behavior after purchase [42]. Purchasing decisions made by consumers motivated companies to continue developing strategies to stimulate consumer interest in buying a product.

Consumers make the purchasing decision in purchasing a product. Consumers making purchases are influenced by environmental factors, i.e., personal [43], value, belief [44], and group reference creating an attitude [45]. In measuring purchasing decisions, consumers always consider several things: the choice of products, brands, distributors, time of purchase, amount or quantity of purchases, and payment methods according to consumer needs for an item. In addition, the factors that a person considers in deciding to buy a product or brand are also influenced by the ease of ordering, purchasing, and paying so as to save time for customers [46]. Other factors that influence purchasing decisions for a product or brand are social differences, subculture, reference groups, family [40], gender [47], retail brand, and location access [40].

3. RESEARCH METHODOLOGY

3.1. Research Model

This study is based on the post-positivism paradigm. The post-positivism paradigm maintains a determinate philosophy, which proposes that causes
determine effects or final results [48]. Meanwhile, the study type is explanatory. This explanatory study connects or searches for cause and effect between two or more concepts (variables) to be studied. Researchers need concept definitions, conceptual frameworks, and theoretical frameworks. Researchers must carry out theorizing activities to generate initial assumptions (hypotheses) between one variable and another [49].

This study is an explanatory study with a quantitative approach. The study will be conducted on the YouTube media platform. The research was conducted by survey method. It aimed to obtain information regarding the number of respondents representing a particular population. The sample of this study included the people of Jakarta who are followers of the YouTube X cosmetics account. In determining the sample, the researchers used the Slovin formula due to the population's sample size. The number of samples in this study was 400 samples. The number of samples is determined based on calculations using the Slovin formula [50], because the population is known. The calculation employed the following equation:

\[
 n = \frac{N}{1 + Ne^2}
\]

Note:
- \( n \): Sample size
- \( N \): Population size
- \( e \): Percentage (%), inaccuracy tolerance due to sampling errors (0.05).

The study model is presented in figure 1.

![Figure 1. Study Model](image)

### 3.2. Hypotheses

#### 3.2.1 Virtual Community and Purchasing Decision

Previous studies have discussed the effect of virtual communities on product purchasing decisions. The findings of these previous studies include virtual communities affecting members of virtual and social communities in buying a product [51-54]. These studies emphasize that virtual communities can influence purchasing decisions of a product. In the context of cosmetic products, the virtual community also affects consumer purchasing decisions. Therefore, the first hypothesis (H1) is formulated as follows:

\[ H_1: \text{Virtual communities significantly affect cosmetics purchasing decisions} \]

#### 3.2.2 Customer Experience and Purchasing Decision

Some previous studies discussed the effect of customer experience and product purchasing decisions. The studies revealed that positive experiences affect purchasing intentions and decisions, both online and offline [55-62]. Another study demonstrated low customer experience share post-purchases [63]. Based on these studies, customer experience is an antecedent in purchasing products. Thus, the second hypothesis (H2) is formulated as follows:

\[ H_2: \text{Customer experience significantly affects cosmetics purchasing decisions} \]

#### 3.2.3 Brand Ambassador and Purchasing Decision

Many previous studies have questioned the influence of brand ambassadors on product purchasing decisions. These studies showed that brand ambassadors influence the purchase or sustainable consumption of luxury products [64]; brand ambassadors improve brand attitude, brand credibility, and purchasing intention in the aviation sector [65]; brand ambassadors positively affect the intention to buy a mobile phone [66]; brand ambassadors affect product purchasing intention on Instagram [67]; and brand ambassadors influence soft drink purchasing decisions [68]. Based on these findings, it is important to examine the effect of brand ambassadors on Indonesian local cosmetics purchases.

\[ H_3: \text{Brand ambassadors significantly affect cosmetics purchasing decisions} \]

### 3.2. Variables

The study comprises three X variables, i.e., the virtual community-VC (X1), customer experience-CE (X2), and brand ambassador-BA (X3), and one Y variable, i.e., purchasing decision-PD.
### Table 1. Study Variable

<table>
<thead>
<tr>
<th>Variables</th>
<th>Number of Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virtual community (VC)</td>
<td>13</td>
</tr>
<tr>
<td>Customer experience (CE)</td>
<td>9</td>
</tr>
<tr>
<td>Brand ambassador (BA)</td>
<td>10</td>
</tr>
<tr>
<td>Purchasing decision (PD)</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Authors' analysis

### 3.3. Analyzing Tool and Data Collection

The data collection instrument used a questionnaire distributed through social media and email. The research respondents were 400 people who were determined purposively since the study respondents were only devoted to people who had bought X cosmetics. Hypothesis testing was analyzed using regression by the SPSS software. The questionnaire has 47 items. All items were tested for validity and reliability. The validity test was observed in the r count value compared to r table.

### 4. RESULTS

#### 4.1. Validity Analysis

The provision of the validity test is if r count > from r table (at a 5% significance level). Hence, the questionnaire is declared valid. On the other hand, if r count < from r table (at a 5% significance level), the questionnaire item is declared invalid. To test the instrument's validity in this study, the researchers distributed the questionnaire to 400 respondents (df=N-2=400-2=398). The level of significance employed was 5%, and the value of the r table at df=398 was 0.098.

<table>
<thead>
<tr>
<th>Variable</th>
<th>R count</th>
<th>R table</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virtual community (VC)</td>
<td>0.601</td>
<td>0.098</td>
<td>Valid</td>
</tr>
<tr>
<td>Customer experience (CE)</td>
<td>0.667</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Brand ambassador (BA)</td>
<td>0.737</td>
<td></td>
<td>Valid</td>
</tr>
<tr>
<td>Purchasing decision (PD)</td>
<td>0.100</td>
<td></td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Authors' analysis

#### 4.2. Reliability Analysis

The reliability test shows that all variables were reliable since the Cronbach's Alpha score was over 0.6, i.e., 0.850.

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.850</td>
<td>4</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Source: Authors' analysis

#### 4.3. Hypothesis Test Result

Multiple linear regression analysis was carried out in two stages. The first stage examined the effect of the virtual community, customer experience, and brand ambassadors on purchasing decisions. The second stage examined the effect of the virtual community, customer experience, and brand ambassadors on purchasing decisions. Each hypothesis test mentioned above used the determination where if Sig. F < 0.05, then the hypothesis can be accepted (variable X affects variable Y), whereas if the value of Sig. > 0.05, then the hypothesis is rejected (variable X does not affect variable Y). The multiple linear regression analysis test using SPSS results are presented in table 4.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cons.</th>
<th>Reg. coef</th>
<th>t-count</th>
<th>Sig.</th>
<th>R²</th>
<th>Sig. F</th>
</tr>
</thead>
<tbody>
<tr>
<td>VC</td>
<td>22.407</td>
<td>0.245</td>
<td>5.906</td>
<td>0.000</td>
<td>0.576</td>
<td>0.000</td>
</tr>
<tr>
<td>CE</td>
<td>0.376</td>
<td>8.975</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA</td>
<td>0.280</td>
<td>6.447</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: VC (Virtual community) CE (Customer experience) BA (Brand ambassador) PD (Purchasing decision)

Based on table 4, the study regression equation is formulated as follows:

\[ Y = 22.407 + 0.245X_1 + 0.376X_2 + 0.280X_3 + \epsilon \]

The virtual community, customer experience, and brand ambassador variables show sig value 0.000 (p <0.05) on each variable. Therefore, hypotheses 1, 2, and 3 were accepted. Furthermore, the data in table 1 were compared with the t-table value (df=N-1 = 400-1=399), 2,.88. The t-value for the virtual community variable was 5.906, 8.975 for the customer experience variable, and 6.447 for the brand ambassador variable. Thus, the hypothesis for the three variables could be accepted. It indicates that the virtual community variable partially affects purchasing decisions, customer experience can affect purchasing decisions, and brand ambassadors can affect purchasing decisions.

Then, the F value in the multiple linear regression test discovered that the sig. F is 0.000, showing that the virtual community, customer experience, and brand ambassador on the YouTube platform can affect cosmetic product purchasing decisions. Furthermore, the determination coefficient for the virtual community, customer experience, and brand ambassador variables was 0.576. It means that the virtual community, customer experience, and brand ambassador variables affect by 57.6% on consumer purchasing decisions on cosmetic products. Meanwhile, 43.3% of cosmetic product purchasing decisions can be influenced by other variables excluded from the study.
5. DISCUSSION

The research findings show that virtual communities, customer experience, and brand ambassadors on the YouTube platform affect purchasing decisions for cosmetic products. The influence exerted by virtual communities, customer experience, and brand ambassadors on purchasing decisions for cosmetic products is significant by approximately 57.6%. Based on the analysis of each variable and the effect of variable X on variable Y simultaneously, it was discovered that companies, especially cosmetic companies, can take benefits from social media, particularly YouTube, by involving virtual communities, customer experience, and brand ambassadors to influence consumers to buy the products offered.

Virtual communities influence product purchasing decisions because a person gets information and perceptual reinforcement from people in the same group and thoughts. Virtual communities have discussions, sharing of experiences, and collective evaluations due to intensive interactions. The innovation adoption theory explains that there are members of society who adopt an innovation after seeing other people have used it [69, 70].

The marketing system is regularly performed traditionally (offline), digitally, or through the internet. Traditional marketing takes a long time to distribute a product, while marketing with the internet or social media can accelerate purchasing decisions in promoting a product [71].

Virtual communities affected purchasing decisions for cosmetic products. The results of this study are in line with a study by Haryani and Motwani, where virtual communities could influence consumer purchasing interest [72]. Thus, the virtual community contributes to creating purchasing decisions for consumers. The motives of potential consumers to join the community encourage consumer interest in the products offered.

Customer experience influenced purchasing decisions for cosmetic products. It shows that consumer purchasing decisions on cosmetic products are based on and driven by consumers' past experiences. The results of this study align with Ananda and Wandebori’s research, suggesting that products reviewed by beauty vloggers could influence purchasing decisions [73]. Videos uploaded by beauty vloggers are references for customers to make purchasing decisions on cosmetics products.

The results of this study show that brand ambassadors affected cosmetic purchasing decisions. It means that brand ambassadors can be a driving force for consumers to decide to buy and use a cosmetic product. These results are in line with a study by Rutha, Bakhtiar, and Kirbrandoko, revealing that brand ambassadors directly influenced brand image and purchasing decisions for a product [74]. Marketers widely use brand ambassadors or celebrity endorsements because they impact the "message" in marketing a brand or product [38] since several customers evaluate information from the communicator or celebrity to reinforce a product’s purchasing decision.

6. CONCLUSIONS

The limitation of this study is that it only examines three independent variables, while there are still many variables that can influence cosmetic purchasing decisions. However, the results of this study describe: Consumers are driven by many reasons in purchasing cosmetics products, both internal and external factors. This study examined the effect of virtual community, customer experience, and brand ambassador for X cosmetics products on purchasing decisions on YouTube. The findings demonstrate that virtual community, customer experience, and brand ambassadors influence the purchasing decisions of X cosmetics products. Virtual community, customer experience, and brand ambassadors affect by 57.6% on purchasing decisions of X cosmetics products. It indicates that the three variables have a real, significant, and quite large influence on purchasing decisions. Thus, it is essential to consider virtual community variables, customer experience, and competent brand ambassadors to increase purchases in cosmetic products by utilizing the YouTube platform. This study has limitations because it only examines cosmetic products. Therefore, future research should scrutinize other products with more complex variables to produce better conclusions.

REFERENCES


